
I. INFORMATION FOR ORDERING OFFICES

SPECIAL NOTICE TO AGENCIES:

Small Business Participation

SBA strongly supports the participation of small business concerns in the Federal Supply Schedules Program. To enhance Small Business Participation SBA policy allows agencies to include in their procurement base and goals, the dollar value of orders expected to be placed against the Federal Supply Schedules, and to report accomplishments against these goals.

For orders exceeding the micropurchase threshold, FAR 8.404 requires agencies to consider the catalogs/pricelists of at least three schedule contractors or consider reasonably available information by using the GSA Advantage!™ on-line shopping service (www.fss.gsa.gov). The catalogs/pricelists, GSA Advantage!™ and the Federal Supply Service Home Page (www.fss.gsa.gov) contain information on a broad array of products and services offered by small business concerns.

This information should be used as a tool to assist ordering activities in meeting or exceeding established small business goals. It should also be used as a tool to assist in including small, small disadvantaged, and women-owned small businesses among those considered when selecting pricelists for a best value determination.

For orders exceeding the micropurchase threshold, customers are to give preference to small business concerns when two or more items at the same delivered price will satisfy their requirement.



N.E.T. Federal

Terms And Conditions

For Information Call
703.556.7740

INFORMATION FOR ORDERING OFFICES

1. Geographic Scope of Contract:

The geographic scope of contract is the 48 contiguous states, the District of Columbia, Alaska and Hawaii.

2. Contractor's Ordering Address and Payment Information:

N.E.T. Federal, Inc.
Attn: Order Processing
8300 Boone Boulevard (Suite 600)
Vienna, Virginia 22182-2626

Contractor's Payment Address:

N.E.T. Federal, Inc.
C/O Bank of Boston
Box D370051
Boston, Massachusetts 02241-0751

Contractors are required to accept the Government purchase card for payments equal to or less than the micro-purchase threshold for oral or written delivery orders. Government purchase cards will be acceptable for payment above the micro-purchase threshold with proof of warrant above \$2,500. In addition, bank account information for wire transfer payments will be shown on the invoice.

The following telephone number(s) can be used by ordering agencies to obtain technical and/or ordering assistance:

Voice (703)556-7740
Facsimile (703)893-6716

3. LIABILITY FOR INJURY OR DAMAGE

The Contractor shall not be liable for any injury to Government personnel or damage to Government property arising from the use of equipment maintained by the Contractor, unless such injury or damage is due to the fault or negligence of the Contractor.

4. Statistical Data for Government Ordering Office Completion of Standard Form 279:

Block 9: G. Order/Modification Under Federal Schedule
Block 16: Data Universal Numbering System (DUNS)Number: 19-571-4068
Block 30: Type of Contractor- C-Large Business
Block 31: Woman-Owned Small Business - No
Block 36: Contractor's Taxpayer Identification Number (TIN) 54-1455392

4a. CAGE Code: OGYV6
4b. Registered with Central Contractor Registration (CCR) - yes

5. FOB Destination

**6. DELIVERY SCHEDULE**

a. **TIME OF DELIVERY:** The Contractor shall deliver to destination within the number of calendar days after receipt of order (ARO), as set forth below, unless otherwise annotated in the prescribed price list.

SPECIAL ITEM NUMBER	DELIVERY TIME (Days ARO)
132-8	NET Hardware 90 Days ARO
132-12	NET STM Hardware 120 Days ARO
132-33	As Agreed Upon between NET and Agency
	NET Software 90 Days ARO
	NET STM Software 120 Days
132-50	As Agreed Upon between NET and Agency
132-51	As Agreed Upon between NET and Agency

b. **URGENT REQUIREMENTS:** When the Federal Supply Schedule contract delivery period does not meet the bona fide urgent delivery requirements of an ordering agency, agencies are encouraged, if time permits, to contact the Contractor for the purpose of obtaining accelerated delivery. The Contractor shall reply to the inquiry within 3 workdays after receipt. (Telephonic replies shall be confirmed by the Contractor in writing.) If the Contractor offers an accelerated delivery time acceptable to the ordering agency, any order(s) placed pursuant to the agreed upon accelerated delivery time frame shall be delivered within this shorter delivery time and in accordance with all other terms and conditions of the contract.

7. Discounts: Prices shown are NET Prices; Basic Discounts have been deducted.

- a. Prompt Payment: 1% - 20 days from receipt of invoice or date of acceptance, whichever is later.
- b. Quantity: NONE
- c. Dollar Volume: None
- d. Government Educational Institutions: None
- e. Other: None

8. Trade Agreements Act of 1979, as amended: All items are U.S. made end products, designated country end products, Caribbean Basin country end products, Canadian end products, or Mexican end products as defined in the Trade Agreements Act of 1979, as amended.

9. Statement Concerning Availability of Export Packing: Products are not available for Export Packing.

10. Small Requirements: The minimum dollar value of orders to be issued is \$50.00.

11. Maximum Order: (All dollar amounts are exclusive of any discount for prompt payment.)

- a. Special Item Number 132-8 - Purchase of Equipment
The maximum dollar value per order for all purchased equipment will be \$500,000.
- b. Special Item Number 132-12 - Repair Parts/Spare Parts
The maximum dollar value per order for all repair parts/spare parts will be \$10,000.
- c. Special Item Number 132-33 - Perpetual Software Licenses
The maximum dollar value per order for all perpetual software licenses will be \$500,000.
- d. Special Item Number 132-50 - Training Courses
The maximum dollar value per order for all training courses will be \$25,000.
- e. Special Item Number 132-51 - Information Technology (IT) Professional Services
The maximum dollar value per order for all IT Professional services will be \$500,000.

Note: Maximum Orders do not apply to Special Item Numbers 132-12 Maintenance and Repair Service (except for Repair Parts/Spare Parts).



12. USE OF FEDERAL SUPPLY SERVICE INFORMATION TECHNOLOGY SCHEDULE CONTRACTS. In accordance with FAR 8.404:

NOTE: Special ordering procedures have been established for Special Item Number (SIN) 132-51 IT Professional Services; refer to the terms and conditions for that SIN.

Orders placed pursuant to a Multiple Award Schedule (MAS), using the procedures in FAR 8.404, are considered to be issued pursuant to full and open competition. Therefore, when placing orders under Federal Supply Schedules, ordering offices need not seek further competition, synopsise the requirement, make a separate determination of fair and reasonable pricing, or consider small business set-asides in accordance with subpart 19.5. GSA has already determined the prices of items under schedule contracts to be fair and reasonable. By placing an order against a schedule using the procedures outlined below, the ordering office has concluded that the order represents the best value and results in the lowest overall cost alternative (considering price, special features, administrative costs, etc.) to meet the Government's needs.

a. Orders placed at or below the micro-purchase threshold. Ordering offices can place orders at or below the micro-purchase threshold with any Federal Supply Schedule Contractor.

b. Orders exceeding the micro-purchase threshold but not exceeding the maximum order threshold. Orders should be placed with the Schedule Contractor that can provide the supply or service that represents the best value. Before placing an order, ordering offices should consider reasonably available information about the supply or service offered under MAS contracts by using the "GSA Advantage!" on-line shopping service, or by reviewing the catalogs/pricelists of at least three Schedule Contractors and selecting the delivery and other options available under the schedule that meets the agency's needs. In selecting the supply or service representing the best value, the ordering office may consider--

- (1) Special features of the supply or service that are required in effective program performance and that are not provided by a comparable supply or service;
- (2) Trade-in considerations;
- (3) Probable life of the item selected as compared with that of a comparable item;
- (4) Warranty considerations;
- (5) Maintenance availability;
- (6) Past performance; and
- (7) Environmental and energy efficiency considerations.

c. Orders exceeding the maximum order threshold. Each schedule contract has an established maximum order threshold. This threshold represents the point where it is advantageous for the ordering office to seek a price reduction. In addition to following the procedures in paragraph b, above, and before placing an order that exceeds the maximum order threshold, ordering offices shall--

- (1) Review additional Schedule Contractors' catalogs/pricelists or use the "GSA Advantage!" on-line shopping service;
- (2) Based upon the initial evaluation, generally seek price reductions from the Schedule Contractor(s) appearing to provide the best value (considering price and other factors); and
- (3) After price reductions have been sought, place the order with the Schedule Contractor that provides the best value and results in the lowest overall cost alternative. If further price reductions are not offered, an order may still be placed, if the ordering office determines that it is appropriate.

NOTE: For orders exceeding the maximum order threshold, the Contractor may:

- (1) Offer a new lower price for this requirement (the Price Reductions clause is not applicable to orders placed over the maximum order in FAR 52.216-19 Order Limitations);
- (2) Offer the lowest price available under the contract; or
- (3) Decline the order (orders must be returned in accordance with FAR 52.216-19).



12. USE OF FEDERAL SUPPLY SERVICE INFORMATION TECHNOLOGY SCHEDULE CONTRACTS. In accordance with FAR 8.404: **(continued)**

d. Blanket purchase agreements (BPAs). The establishment of Federal Supply Schedule BPAs is permitted when following the ordering procedures in FAR 8.404. All schedule contracts contain BPA provisions. Ordering offices may use BPAs to establish accounts with Contractors to fill recurring requirements. BPAs should address the frequency of ordering and invoicing, discounts, and delivery locations and times.

e. Price reductions. In addition to the circumstances outlined in paragraph c, above, there may be instances when ordering offices will find it advantageous to request a price reduction. For example, when the ordering office finds a schedule supply or service elsewhere at a lower price or when a BPA is being established to fill recurring requirements, requesting a price reduction could be advantageous. The potential volume of orders under these agreements, regardless of the size of the individual order, may offer the ordering office the opportunity to secure greater discounts. Schedule Contractors are not required to pass on to all schedule users a price reduction extended only to an individual agency for a specific order.

f. Small business. For orders exceeding the micro-purchase threshold, ordering offices should give preference to the items of small business concerns when two or more items at the same delivered price will satisfy the requirement.

g. Documentation. Orders should be documented, at a minimum, by identifying the Contractor the item was purchased from, the item purchased, and the amount paid. If an agency requirement in excess of the micro-purchase threshold is defined so as to require a particular brand name, product, or feature of a product peculiar to one manufacturer, thereby precluding consideration of a product manufactured by another company, the ordering office shall include an explanation in the file as to why the particular brand name, product, or feature is essential to satisfy the agency's needs.

13. FEDERAL INFORMATION TECHNOLOGY/TELECOMMUNICATION STANDARDS

REQUIREMENTS: Federal departments and agencies acquiring products from this Schedule must comply with the provisions of the Federal Standards Program, as appropriate (reference: NIST Federal Standards Index). Inquiries to determine whether or not specific products listed herein comply with Federal Information Processing Standards (FIPS) or Federal Telecommunication Standards (FED-STDS), which are cited by ordering offices, shall be responded to promptly by the Contractor.

13.1 FEDERAL INFORMATION PROCESSING STANDARDS PUBLICATIONS (FIPS PUBS): Information Technology products under this Schedule that do not conform to Federal Information Processing Standards (FIPS) should not be acquired unless a waiver has been granted in accordance with the applicable "FIPS Publication." Federal Information Processing Standards Publications (FIPS PUBS) are issued by the U.S. Department of Commerce, National Institute of Standards and Technology (NIST), pursuant to National Security Act. Information concerning their availability and applicability should be obtained from the National Technical Information Service (NTIS), 5285 Port Royal Road, Springfield, Virginia 22161. FIPS PUBS include voluntary standards when these are adopted for Federal use. Individual orders for FIPS PUBS should be referred to the NTIS Sales Office, and orders for subscription service should be referred to the NTIS Subscription Officer, both at the above address, or telephone number (703) 487-4650.

13.2 FEDERAL TELECOMMUNICATION STANDARDS (FED-STDS): Telecommunication products under this Schedule that do not conform to Federal Telecommunication Standards (FED-STDS) should not be acquired unless a waiver has been granted in accordance with the applicable "FED-STD." Federal Telecommunication Standards are issued by the U.S. Department of Commerce, National Institute of Standards and Technology (NIST), pursuant to National Security Act. Ordering information and information concerning the availability of FED-STDS should be obtained from the GSA, Federal Supply Service, Specification Section, 470 East L'Enfant Plaza, Suite 8100, SW, Washington, DC 20407, telephone number (202)619-8925. Please include a self-addressed mailing label when requesting information by mail. Information concerning their applicability can be obtained by writing or calling the U.S. Department of Commerce, National Institute of Standards and Technology, Gaithersburg, MD 20899, telephone number (301)975-2833.



14. SECURITY REQUIREMENTS. In the event security requirements are necessary, the ordering activities may incorporate, in their delivery orders, a security clause in accordance with current laws, regulations, and individual agency policy; however, the burden of administering the security requirements shall be with the ordering agency. If any costs are incurred as a result of the inclusion of security requirements, such costs will be negotiated with the Contractor on an open market basis outside the scope of the contract.

15. CONTRACT ADMINISTRATION FOR ORDERING OFFICES: Any ordering office, with respect to any one or more delivery orders placed by it under this contract, may exercise the same rights of termination as might the GSA Contracting Officer under provisions of FAR 52.212-4, paragraphs (l) Termination for the Government's convenience, and (m) Termination for Cause (See C.1.)

16. GSA Advantage!

GSA Advantage! is an on-line, interactive electronic information and ordering system that provides on-line access to vendors' schedule prices with ordering information. *GSA Advantage!* will allow the user to perform various searches across all contracts including, but not limited to:

- (1) Manufacturer;
- (2) Manufacturer's Part Number; and
- (3) Product categories.

Agencies can browse *GSA Advantage!* by accessing the Internet World Wide Web utilizing a browser (ex.: NetScape). The Internet address is <http://www.fss.gsa.gov/>.

17. PURCHASE OF INCIDENTAL, NON-SCHEDULE ITEMS

For administrative convenience, open market (non-contract) items may be added to a Federal Supply Schedule Blanket Purchase Agreement (BPA) or an individual order, provided that the items are clearly labeled as such on the order, all applicable regulations have been followed, and price reasonableness has been determined by the ordering activity for the open market (non-contract) items.

18. CONTRACTOR COMMITMENTS, WARRANTIES AND REPRESENTATIONS

a. For the purpose of this contract, commitments, warranties and representations include, in addition to those agreed to for the entire schedule contract:

- (1) Time of delivery/installation quotations for individual orders;
- (2) Technical representations and/or warranties of products concerning performance, total system performance and/or configuration, physical, design and/or functional characteristics and capabilities of a product/equipment/service/software package submitted in response to requirements which result in orders under this schedule contract.
- (3) Any representations and/or warranties concerning the products made in any literature, description, drawings and/or specifications furnished by the Contractor.

b. The above is not intended to encompass items not currently covered by the GSA Schedule contract.

19. OVERSEAS ACTIVITIES

The terms and conditions of this contract shall apply to all orders for installation, maintenance and repair of equipment in areas listed in the pricelist outside the 48 contiguous states, Alaska, Hawaii, and the District of Columbia, except as indicated below:

Not available, outside of the scope of this contract.

Upon request of the Contractor, the Government may provide the Contractor with logistics support, as available, in accordance with all applicable Government regulations. Such Government support will be provided on a reimbursable basis, and will only be provided to the Contractor's technical personnel whose services are exclusively required for the fulfillment of the terms and conditions of this contract.



20. YEAR 2000 WARRANTY — COMMERCIAL SUPPLY ITEMS

“Year 2000 compliant,” as used in this part, means, with respect to information technology, that the information technology accurately processes date/time data, (including, but not limited to, calculating, comparing, and sequencing) from, into, and between the twentieth and twenty-first centuries, and the years 1999 and 2000 and leap year calculations, to the extent that other information technology, used in combination with the information technology being acquired, properly exchanges date/time data with it.

The Contractor warrants that each hardware, software, and firmware product delivered under this contract shall be able to accurately process date data (including, but not limited to, calculating, comparing, and sequencing) from, into, and between the twentieth and twenty-first centuries, including leap year calculations, when used in accordance with the product documentation provided by the Contractor, provided that all listed or unlisted products (e.g. hardware, software, firmware) used in combination with such listed product properly exchange date data with it. If the contract requires that specific listed products must perform as a system in accordance with the foregoing warranty, then that warranty shall apply to those listed products as a system. The duration of this warranty and the remedies available to the Government for breach of this warranty shall be as defined in, and subject to, the terms and limitations of the Contractor’s standard commercial warranty or warranties contained in this contract, provided that notwithstanding any provision to the contrary in such commercial warranty or warranties, the remedies available to the Government under this warranty shall include repair or replacement of any listed product whose non-compliance is discovered and made known to the Contractor in writing within ninety (90) days after acceptance. Nothing in this warranty shall be construed to limit any rights or remedies the Government may otherwise have under this contract with respect to defects other than Year 2000 performance. Contractor’s Year 2000 Compliance Program and product warranties may be viewed at www.net.com. The site identifies those products and services provided by the contractor that are Year 2000 Compliant and the Contractor’s Standard Commercial Year 2000 Warranty.

21. BLANKET PURCHASE AGREEMENTS (BPAs)

Federal Acquisition Regulation (FAR) 13.201(a) defines Blanket Purchase Agreements (BPAs) as “...a simplified method of filling anticipated repetitive needs for supplies or services by establishing ‘charge accounts’ with qualified sources of supply.” The use of Blanket Purchase Agreements under the Federal Supply Schedule Program is authorized in accordance with FAR 13.202(c)(3), which reads, in part, as follows:

“BPAs may be established with Federal Supply Schedule Contractors, if not inconsistent with the terms of the applicable schedule contract.”

Federal Supply Schedule contracts contain BPA provisions to enable schedule users to maximize their administrative and purchasing savings. This feature permits schedule users to set up “accounts” with Schedule Contractors to fill recurring requirements. These accounts establish a period for the BPA and generally address issues such as the frequency of ordering and invoicing, authorized callers, discounts, delivery locations and times. Agencies may qualify for the best quantity/volume discounts available under the contract, based on the potential volume of business that may be generated through such an agreement, regardless of the size of the individual orders. In addition, agencies may be able to secure a discount higher than that available in the contract based on the aggregate volume of business possible under a BPA. Finally, Contractors may be open to a progressive type of discounting where the discount would increase once the sales accumulated under the BPA reach certain prescribed levels. Use of a BPA may be particularly useful with the new Maximum Order feature. See the Suggested Format, contained in this Schedule Pricelist, for customers to consider when using this purchasing tool.

22. CONTRACTOR TEAM ARRANGEMENTS

Federal Supply Schedule Contractors may use “Contractor Team Arrangements” (see FAR 9.6) to provide solutions when responding to a customer agency requirements. The policy and procedures outlined in this part will provide more flexibility and allow innovative acquisition methods when using the Federal Supply Schedules. See the additional information regarding Contractor Team Arrangements in this Schedule Pricelist.



II.

TERMS AND CONDITIONS APPLICABLE TO PURCHASE OF GENERAL PURPOSE COMMERCIAL INFORMATION TECHNOLOGY EQUIPMENT (SPECIAL ITEM NUMBER 132-8)

1. MATERIAL AND WORKMANSHIP

All equipment furnished hereunder must satisfactorily perform the function for which it is intended.

2. ORDER

Written orders, EDI orders (GSA Advantage! and FACNET), credit card orders, and orders placed under blanket purchase agreements (BPA) agreements shall be the basis for purchase in accordance with the provisions of this contract. If time of delivery extends beyond the expiration date of the contract, the Contractor will be obligated to meet the delivery and installation date specified in the original order.

For credit card orders and BPAs, telephone orders are permissible.

3. TRANSPORTATION OF EQUIPMENT

FOB DESTINATION. Prices cover equipment delivery to destination, for any location within the geographic scope of this contract.

4. INSTALLATION AND TECHNICAL SERVICES

a. **INSTALLATION.** When the equipment provided under this contract is not normally self-installable, the Contractor's technical personnel shall be available to the Government, at the Government's location, to install the equipment and to train Government personnel in the use and maintenance of the equipment. The charges for such services are outside the scope of this contract.

b. OPERATING AND MAINTENANCE MANUALS.

The Contractor shall furnish the Government with one (1) copy of all operating and maintenance manuals which are normally provided with the equipment being purchased.

5. INSPECTION/ACCEPTANCE

The Contractor shall only tender for acceptance those items that conform to the requirements of this contract. The Government reserves the right to inspect or test any equipment that has been tendered for acceptance. The Government may require repair or replacement of nonconforming equipment at no increase in contract price. The Government must exercise its postacceptance rights in writing: (1) Within a reasonable time after the defect was discovered or should have been discovered; and (2) Before any substantial change occurs in the condition of the item, unless the change is due to the defect in the item. However, at no time shall acceptance be later than thirty (30) days from receipt of the equipment, acceptance shall be deemed to have occurred on the thirty-first (31st) day from receipt of equipment.

6. WARRANTY

a. Unless specified otherwise in this contract, the Contractor's standard commercial warranty as stated in the contract's commercial pricelist will apply to this contract.

N.E.T. PRODUCT WARRANTY

During the "Warranty Period" defined below, Contractor warrants that Equipment will be free from defects in material and workmanship and Software will operate substantially as described in the End User Documentation ("Specifications") shipped with the Products. The Government acknowledges and agrees that no documents other than N.E.T.'s Specifications, and no statements, oral and/or written, made by any Contractor representative, create any express or implied warranty. Specifications are subject to change without notice as the Contractor incorporates additional information or change hardware or software.

**N.E.T. PRODUCT WARRANTY (continued)**

The Contractor will, during the Warranty Period: 1) provide telephone support from N.E.T.'s Technical Assistance Center ("TAC") twenty-four (24) hours a day, seven (7) days a week including national holidays ("Hours of Telephone Support"); 2) repair defective parts on a return-to-factory basis; 3) remedy Software defects under the terms of Section B below; and 4) for IDNX and STM Products, make available Disaster Node Equipment on the terms and conditions below. Repaired Equipment may contain reconditioned parts that are equivalent to new in performance.

N.E.T. Hardware Products

The Warranty Period for hardware Products is one (1) year. During the Warranty Period the Contractor will provide the following:

1. Technical Assistance Center. Telephone support will: 1) determine the nature of Equipment problems the Government reports and shall identify appropriate corrective action, and 2) provide answers to the Government's technical questions related to the use of Equipment. Telephone support will not be provided for: a) installation; b) transmission line failures; or c) other than N.E.T. products. TAC support is not available unless the user provides a minimum 28.8Kbps dial up modem and telephone line for each Node to be accessed by TAC. If the modem and telephone line are not provided, on-site support may be required and will be charged to the Government at the established T&M rates plus any associated travel expenses.
2. Parts Repair. Repaired defective parts will normally be shipped within 30 days from our receipt of defective parts if the shipment is within the United States. The Government must prepay freight and insurance charges to return defective Equipment to us. The Contractor will pay freight costs to return repaired parts to the Government. No parts may be returned without first obtaining an RMA number from the Contractor, at which time N.E.T. will direct the Government as to where to ship defective parts. Repaired parts are warranted in accordance with this Product Warranty for ninety (90) days, or the balance of the Warranty Period, whichever is longer.

Year 2000. Products identified by N.E.T. as "Year 2000 Compliant" as of the date of shipment or upgrade are warranted to conform to N.E.T.'s definition of Year 2000 Compliance, which is based on the British Standards Institution DISC PD2000-1 definition of compliance, and to operate in accordance with this definition at least until the year 2020 when operated at their current software revision in accordance with their documentation. N.E.T.'s definition of Year 2000 Compliance and the compliance status of specific Products is contained in N.E.T.'s Year 2000 Compliance Program which can be found on N.E.T.'s website at <http://www.net.com>. N.E.T.'s Year 2000 compliance Warranty does not apply to the extent that Product failures are due to non-Year 2000 compliant third party operating systems, hardware platforms or software products.

General

The Product Warranty does not apply to any Product that has been: (a) altered; (b) subjected to misuse; (c) improperly maintained; (d) damaged by negligence or accident; or (e) damaged by excessive current, temperature, connection of incompatible equipment, or other deviation from applicable environmental specifications. Furthermore, this Warranty does not apply to expendable supplies and accessories normally consumed during operation of the Product. If the Contractor determines that any Equipment returned is not defective within the terms of this warranty, the Government will pay all costs of handling, transportation and repairs or replacement at the GSA Time and Materials rate. This Product Warranty sets forth the Contractor's sole obligation with respect to hardware and software defects found in Products.

THIS PRODUCT WARRANTY DOES NOT INCLUDE ON-SITE SUPPORT. ON-SITE SUPPORT MAY BE AVAILABLE DURING THE WARRANTY PERIOD FOR AN ADDITIONAL CHARGE AND SUBJECT TO THE TERMS AND CONDITIONS OF THIS CONTRACT. THIS WARRANTY IS LIMITED TO THE U.S. GOVERNMENT ONLY AND IS IN LIEU OF, AND THE GOVERNMENT WAIVES, ALL OTHER WARRANTIES, EXPRESS OR IMPLIED, INCLUDING THE IMPLIED WARRANTIES OF MERCHANTABILITY AND FITNESS FOR A PARTICULAR PURPOSE. N.E.T. DOES NOT WARRANT THAT SOFTWARE WILL BE ERROR FREE OR THAT PRODUCTS WILL OPERATE WITHOUT INTERRUPTION.



N.E.T. CORPORATE REPAIR CENTER PARTS REQUEST AND RETURN PROCEDURES

In order to expedite all parts replacement requests through N.E.T.'s Corporate Repair Center (CRC), please use the following procedure:

1. Contact NET CRC toll free 1-800-800-4638 menu selection #1 for all parts replacements.
2. CRC will need the following information to process all parts replacement requests:
 - Part number
 - Part description
 - Quantity
 - Commercial telephone number
 - Customer
 - Ship to address
 - Point of contact
 - Description of problem with faulty part if known.
 - Serial number
 - Sales Order number - Newly received parts only

Note This information is very important if leaving a voicemail.

3. CRC will provide a Return Materials Authorization (RMA) number and expected ship date of the replacement part(s).
4. The shipment from CRC will include:
 - Replacement part in an ESD bag,
 - Inventory Asset Transaction form (IAT),
 - Card/Component tag,
 - Mailing label with the RMA number on it.
5. After the parts are received, use the same shipping materials to return the faulty equipment. Completely fill out the Card/Component tag, retain the yellow copy and place remaining copies in the ESD bag with the faulty part. Fill out the IAT form, retain the goldenrod copy, and place remaining forms in the box.
6. Billing procedures will begin if parts are not returned to CRC within 30 days.
7. If any problems are encountered when ordering replacement parts, contact N.E.T. Federal, Inc. at 1-703-556-7740 between 8:30 am and 5:30 pm, Monday through Friday.

FOR GOVERNMENT CLIENTS WITHOUT A CURRENT NET MAINTENANCE CONTRACT

1. Non-maintenance clients needing repair and/ or replacement of parts should contact the NET sales team to obtain a quote for the service request.
2. After the quote is obtained, the client must provide NET a purchase order (PO) for the agreed amount and action requested.
3. After the PO is received, N.E.T. will coordinate with the Field Service and Operations Group to facilitate the replacement/ repair process with the Government client.
 - a. If inspection and repair of defective equipment under this warranty will be performed at the Contractor's plant, the address is as follows:

For N.E.T. Equipment:
Network Equipment Technologies, Inc.
6500 Paseo Padre Parkway
Fremont, California 94555



N.E.T. Federal

Terms And Conditions

For Information Call
703.556.7740

7. PURCHASE PRICE FOR ORDERED EQUIPMENT

The purchase price that the Government will be charged will be the Government purchase price in effect at the time of order placement, or the Government purchase price in effect on the installation date (or delivery date when installation is not applicable), whichever is less.

8. RESPONSIBILITIES OF THE CONTRACTOR

The Contractor shall comply with all laws, ordinances, and regulations (Federal, State, City or otherwise) covering work of this character, and shall include all costs, if any, of such compliance in the prices quoted in this offer.

9. TRADE-IN OF INFORMATION TECHNOLOGY EQUIPMENT

When an agency determines that Information Technology equipment will be replaced, the agency shall follow the contracting policies and procedures in the Federal Acquisition Regulation (FAR), the policies and procedures regarding disposition of information technology excess personal property in the Federal Property Management Regulations (FPMR) (41 CFR 101-43.6), and the policies and procedures on exchange/sale contained in the FPMR (41 CFR part 101-46).



III.
TERMS AND CONDITIONS APPLICABLE TO
MAINTENANCE, REPAIR SERVICE AND REPAIR
PARTS/SPARE PARTS FOR GOVERNMENT-OWNED
GENERAL PURPOSE COMMERCIAL INFORMATION
TECHNOLOGY EQUIPMENT
(AFTER EXPIRATION OF GUARANTEE/WARRANTY
PROVISIONS AND/OR WHEN REQUIRED SERVICE IS NOT
COVERED BY GUARANTEE/WARRANTY PROVISIONS)
(SPECIAL ITEM NUMBER 132-12)

1. SERVICE AREAS

a. The maintenance and repair service rates listed herein are applicable to any Government location within a 150 mile radius of the Contractor's service points. If any additional charge is to apply because of the greater distance from the Contractor's service locations, the mileage rate or other distance factor shall be stated in paragraph 8.d of this Special Item Number 132-12.

b. When repair services cannot be performed at the Government installation site, the repair services will be performed at the Contractor's plant(s) listed below:

For N.E.T. Products:
Network Equipment Technologies, Inc.
6500 Paseo Padre Parkway
Fremont, California 94555

See N.E.T. Product Service Areas next page.



N.E.T. Federal

Terms And Conditions

For Information Call
703.556.7740

N.E.T. PRODUCT SERVICE AREA LOCATIONS

Coverage City		Coverage City	
CITY	State	CITY	STATE
Albany	NY	Lubbock	TX
Albuquerque	NM	Memphis	TN
Atlanta	GA	Miami	FL
Austin	TX	Midland	TX
Baltimore	MD	Minneapolis	MN
Birmingham	AL	Mobile	AL
Boston	MA	Nashville	TN
Buffalo	NY	New Orleans	LA
Charleston	SC	Norfolk/Hampton	VA
Charleston	WV	Oklahoma City	OK
Charlotte	NC	Omaha, NE	NE
Chicago	IL	Orange	CA
Cincinnati	OH	Orlando	FL
Cleveland	OH	Pennsacola	FL
Colorado Springs/Denver	CO	Philadelphia	PA
Columbia	SC	Phoenix	AZ
Columbus	OH	Pittsburgh	PA
Dallas	TX	Portland	OR
Dayton	OH	Raleigh / Fayetteville	NC
Des Moines	IA	Richmond	VA
Detroit	MI	Roanoke	VA
Enfield	CT	Rochester	NY
Ft.Lauderdale	FL	Saginaw,MI	MI
Grand Rapids	MI	Salt Lake City	UT
Greensboro	NC	San Antonio	TX
Greenville/Spartenburg	SC	San Diego	CA
Harrisburgh	PA	San Juan	PR
Honolulu	HI	Seattle	WA
Houston	TX	Shreveport/Monroe	LA
Indianapolis	IN	South Bend/Ft. Wayne	IN
Iselin	NJ	Spokane	WA
Jacksonville/Gainesville	FL	St. Louis	MO
Kansas City	KS	Syracuse	NY
Little Rock	AR	Tampa	FL
Louisville	KY	Tulsa	OK
New York	NY	Wichita	KS
San Francisco	CA	Washington	DC

**2. MAINTENANCE ORDER**

a. Agencies may use written orders, EDI orders, credit card orders, or BPAs, for ordering maintenance under this contract. The Contractor shall confirm orders within fifteen (15) calendar days from the date of receipt, except that confirmation of orders shall be considered automatic for renewals for maintenance (Special Item Number 132-12). Automatic acceptance of order renewals for maintenance service shall apply for machines which may have been discontinued from use for temporary periods of time not longer than 120 calendar days. If the order is not confirmed by the Contractor as prescribed by this paragraph, the order shall be considered to be confirmed by the Contractor.

b. The Contractor shall honor orders for maintenance for the duration of the contract period or a lesser period of time, for the equipment shown in the pricelist. Maintenance service shall commence on a mutually agreed upon date, which will be written into the maintenance order. Maintenance orders shall not be made effective before the expiration of any applicable maintenance and parts guarantee/warranty period associated with the purchase of equipment. Orders for maintenance service shall not extend beyond the end of the contract period.

c. Maintenance may be discontinued by the Government on thirty (30) calendar days written notice, or shorter notice when agreed to by the Contractor; such notice to become effective thirty (30) calendar days from the date on the notification. However, the Government may extend the original discontinuance date upon written notice to the Contractor, provided that such notice is furnished at least ten (10) calendar days prior to the original discontinuance date.

d. Annual Funding. When annually appropriated funds are cited on a maintenance order, the period of maintenance shall automatically expire on September 30th of the contract period, or at the end of the contract period, whichever occurs first. Renewal of a maintenance order citing the new appropriation shall be required, if maintenance is to continue during any remainder of the contract period.

e. Cross-year Funding Within Contract Period. Where an ordering office's specific appropriation authority provides for funds in excess of a 12 month, fiscal year period, the ordering office may place an order under this schedule contract for a period up to the expiration of the contract period, notwithstanding the intervening fiscal years.

f. Ordering offices should notify the Contractor in writing thirty (30) calendar days prior to the expiration of maintenance service, if maintenance is to be terminated at that time. Orders for continued maintenance will be required if maintenance is to be continued during the subsequent period.

3. REPAIR SERVICE AND REPAIR PARTS/SPARE PARTS ORDERS

a. Agencies may use written orders, EDI orders, credit card orders, blanket purchase agreements (BPAs), or small order procedures for ordering repair service and/or repair parts/spare parts under this contract. Orders for repair service shall not extend beyond the end of the contract period.

b. When repair service is ordered, only one chargeable repairman shall be dispatched to perform repair service, unless the ordering office agrees, in advance, that additional repair personnel are required to effect repairs.

4. LOSS OR DAMAGE

When the Contractor removes equipment to his establishment for repairs, the Contractor shall be responsible for any damage or loss, from the time the equipment is removed from the Government installation, until the equipment is returned to such installation.

5. SCOPE

a. The Contractor shall provide maintenance for all equipment listed herein, as requested by the Government agency during the contract term. Repair service and repair parts/spare parts shall apply exclusively to the equipment types/models within the scope of this Information Technology Schedule.

b. Equipment placed under maintenance service shall be in good operating condition.

(1) In order to determine that the equipment is in good operating condition, the equipment shall be subject to inspection by the Contractor without charge to the Government during the warranty period. After the expiration of the warranty period (or previous maintenance period), products must be re-certified by Contractor for maintenance coverage at Contractor's current Schedule Time and Material rate(s).

**5. SCOPE (continued)**

(2) Costs of any repairs performed for the purpose of placing the equipment in good operating condition shall be borne by the Contractor, if the equipment was under the Contractor's guarantee/warranty or maintenance responsibility prior to the effective date of the maintenance order. In order to determine that the equipment is in good operating condition, the equipment shall be subject to inspection by the Contractor without charge to the Government during the warranty period. After the expiration of the warranty period (or previous maintenance period), products must be re-certified by Contractor for maintenance coverage at Contractor's current GSA Schedule Time and Material rate(s), provided that the required repairs are not occasioned by fault or negligence of the Government.

(3) If the equipment was not under the Contractor's responsibility, the costs necessary to place the equipment in proper operating condition are to be borne by the Government, in accordance with the provisions of Special Item Number 132-12 (or outside the scope of this contract). A recertification fee shall be required by the contractor at the Government's expense at N.E.T.'s GSA Time and Materials rate.

6. RESPONSIBILITIES OF THE GOVERNMENT

a. Government personnel shall not perform maintenance or attempt repairs to equipment while such equipment is under the purview of a maintenance order, unless agreed to by the Contractor.

b. Subject to security regulations, the Government shall permit access to the equipment which is to be maintained or repaired.

7. RESPONSIBILITIES OF THE CONTRACTOR

For equipment not covered under an existing maintenance contract or warranty, the Contractor's repair service personnel shall complete repairs on a reasonable effort basis, as agreed to between the parties,, after notification by the Government that service is required.

N.E.T. ON-SITE SERVICE PROGRAMS**1. Three Levels of Service to Meet the Government's Particular Service Needs**

N.E.T.'s On-Site Service Program offers the Government three different levels of support: Full, Intermediate and Standard. All three levels include telephone support through our Technical Assistance Center ("TAC") and On-Site support performed by N.E.T.-trained Field Service Technicians. TAC support is available wherever your Node is located

One advantage to purchasing On-site Service is that, regardless of which service level the Government selects, Product problems that are identified as critical will be given a priority response. Our ability to timely respond to your service requests is based upon your compliance with the requirements in this Service Program. Unless otherwise defined in this Service Program, defined terms in the Agreement have the same meaning when used in this On-Site Service Program.

2. Telephone Assistance from the Technical Assistance Center

With all levels of On-Site Service, N.E.T. provides telephone support from TAC 24 hours a day, seven days a week including holidays. TAC support will: 1) determine the nature of Product problems you report and identify appropriate corrective action, and 2) provide answers to your technical questions related to Product use. You must provide a minimum 28.8Kbps dial up modem and telephone line for each Node to be accessed by TAC in order to receive remote diagnostic services. For the Promina 2000 product specifically, you will need to provide an ISDN BRI line and either a Sun Ultra with an ISDN port or a Cisco 76X access router or equivalent at the gateway node location.

a. Priority Response From TAC Based on Your Needs.

When a Product problem arises which requires TAC assistance, N.E.T. will respond based on the seriousness of the problem. For problems defined as critical, your call will be given priority and promptly handled by a TAC engineer. A critical problem involves a service disruption which substantially interferes with your ability to conduct normal operations. Some examples are a Node is down or isolated from the network; multiple applications which are supported by a Node are down; or a critical application is down and this

**2. Telephone Assistance from the Technical Assistance Center (continued)**

substantially interferes with your ability to conduct normal operations. Isolated failures of individual synchronous data boards or the failure of other components not required for the processing or completing of calls and/or data are not considered critical problems.

If your problem is of major importance or a lesser priority, then TAC will provide a priority response to you after responding to critical calls. A problem will be considered major when it is serious but traffic continues to flow within the network.

b. Priority Response Time Varies by Level of Client Service

Because N.E.T.'s goal is to keep your network up and running 24 hours a day, seven days a week, when both an emergency and non-emergency call are received by TAC, the emergency call will be given priority. For non-emergency calls, the priority TAC gives your call will be based upon the service level purchased. Full Service receives first priority, Intermediate Service receives second priority, and Standard Service receives third priority.

3. On-Site Maintenance Services**a. Services Included in On-Site Maintenance**

For Equipment problems requiring On-Site Maintenance Services, Field Service Technicians will provide remedial maintenance and mandatory engineering changes at the site location(s) of your Equipment.

Remedial Maintenance

Remedial maintenance will be performed when your Equipment experiences a failure or malfunction. At the Government's request, we will provide the service, repair and initial diagnosis necessary to return your Equipment to good operating condition in accordance with published technical specifications. If the malfunction is identified as critical, we will dispatch a Field Service Technician on a priority basis as discussed in Sections (c) & (d) below. For determining the necessity of On-Site Maintenance, critical and major problems are defined in Section 2 (a) above.

Mandatory Engineering Changes

Mandatory engineering changes are included in the On-Site Service Program. N.E.T. will, as necessary: i) replace or add parts, ii) implement programming options, iii) perform restrapping, iv) reconfigure Products and provide necessary materials, and v) install Products to improve serviceability, reliability and functionality. We will notify you when engineering changes are required and you can schedule the service through our project coordinator. Scheduling will be based on the priority of the selected service level identified above. Non-mandatory engineering changes are not included in the On-Site Services Program, but can be provided at the GSA Time and Materials rate.

Services Not Included in On-Site Maintenance Services

The following services are not part of the On-Site Service Program, but may be available at the GSA Time and Materials rate, or under another Service Program: i) non-N.E.T. related problems, ii) Telco problems requiring on-site support, iii) relocation or reconfiguration of Equipment, and iv) non-mandatory engineering changes. You acknowledge and agree that after December 31, 1999 we will be relieved of any obligation to provide Services for Products which have not been upgraded to the minimum requirements for Year 2000 Compliance defined in the then-current N.E.T. Year 2000 Compliance Program available at <http://www.net.com>.

b. Hours of On-Site Maintenance Coverage

The hours when On-Site Maintenance coverage is available (the "Principal Period of Maintenance" or "PPM") vary depending on the service level purchased as follows:

<u>Full</u>	<u>Intermediate</u>	<u>Standard</u>
24 hours a day/ 7 days a week	8:00 a.m. to 12:00 a.m. Monday – Saturday	8:00 a.m. to 5:00 p.m. Monday - Friday

Please Note: PPM (excludes National Holidays) On-Site Maintenance Services provided outside the PPM for your Service level are not included in the On-Site Service Program, however, may be purchased at the GSA Time and Materials rate.

3. On-Site Maintenance Services (continued)

c. Priority Response

The priority we give your on-site service request will be based upon the service level purchased, Full, Intermediate, or Standard. Full Service receives first priority, Intermediate Service receives second priority, and Standard Service receives third priority. Critical problems receive priority over non-critical problems.

d. Emergency Maintenance

For problems with your Nodes which you identify as critical, the On-Site Services Program provides on-site emergency response during the relevant PPM. Priority response time for an emergency will vary depending on the zone in which your Equipment is located. The three zones are defined by the distance from our service center to your Equipment location ("Equipment Site") as follows:

<u>Zone</u>	<u>Continental United States</u>	<u>Response Time</u>
1	zero (0) to seventy-five (75) miles	within two (2) hours
2	seventy-six (76) to eighty-one (81) to one hundred fifty (150) miles	within four (4) hours
3	one hundred fifty-one (151) miles greater	Reasonable efforts as agreed

The emergency response time will begin once an on-site response is agreed on. Response time for Zone 3 will be performed on a reasonable effort basis by N.E.T. as agreed upon between the contractor and the Government.

e. What You Need to Do to Schedule On-Site Maintenance

In an emergency, to schedule On-Site Maintenance Support the Agency must contact N.E.T.'s TAC. The enduser and our TAC Engineer will analyze the problem and make a decision as to whether On-Site Services are required.

For mandatory engineering changes, a work order request must be sent to our project manager, who will schedule services based upon your service level priority. To insure that mandatory engineering changes are available when required, please contact the project manager at least ten days before the services need to be performed. If the Government misses the deadline, we will still use reasonable efforts to provide maintenance services to on a timely basis.

On-site Maintenance Support may be provided by an N.E.T. field Service Engineer or by an N.E.T. authorized representative. If N.E.T. is unable for any reason to provide On-Site Maintenance Support to the location of your equipment, N.E.T. will reduce the service level at the affected Site to the TAC & Parts Services Program during the period On-Site Maintenance Support is unavailable. In that event, an equitable adjustment is made in the endusers annual service charges.

4. Selecting a Service Level

You may select a combination of Full, Intermediate, Standard or TAC & Parts Service levels for Nodes comprising a single network.

Equipment you installed or Equipment not covered by a service contract with us after the Product Warranty expires must be certified for the On-Site Services Program before this Service Program can go into effect. Certification will be charged at the GSA Time and Material rate in effect when the certification is performed.



N.E.T. TAC & PARTS SERVICE PROGRAM

The TAC & Parts Service Program supports your trained technical personnel in maintaining your network. We provide both access to our Technical Assistance Center ("TAC") and parts exchange and/or repair should your technical personnel encounter a defective part. Because this Service Program is designed for end-users with extensive in-house technical capabilities, on-site service is not included.

Our ability to timely respond to your service requests is based upon your compliance with the requirements in this Service Program. The TAC & Parts Service Program covers Products indicated in the Maintenance Schedule. Maintenance for products not covered under this schedule may be purchased outside the scope of this contract. Contact your N.E.T. service representative regarding available services.

1. Telephone Assistance from the Technical Assistance Center

Under the TAC & Parts Service Program N.E.T. will provide telephone support from TAC 24 hours a day, seven days a week including holidays. TAC support will: 1) determine the nature of Product problems you report and identify appropriate corrective action, and 2) provide answers to your technical questions related to Product use. The endusers must provide a minimum 28.8Kbps dial up modem and telephone line for each Node to be accessed by TAC in order to receive remote diagnostic services.

a. Priority Response Time Varies by Level of Client Service

Because our goal is to keep the Government's network up and running 24 hours a day seven days a week, when both an emergency and non-emergency call are received by TAC, the emergency call will be given priority. For non-emergency calls, the priority TAC gives your call will be based upon the service level purchased as explained above. Purchasers of the TAC & Parts Service Program receive priority after purchasers of the On-Site Service Programs.

2. Parts Repair and/or Exchange

Should your technical personnel identify a defective part, we will either repair or exchange the part depending upon your request.

a. Parts Exchange

Should you require immediate replacement of a defective part, a replacement part can be shipped priority mail by the next business day after you contact TAC and identify the defective part. Please note that while the part will be shipped by the next business day, your receipt of the shipment may take longer. You must return the defective part to us within 15 calendar days after you receive the replacement part or we will bill you for the replacement part at our current List Price.

b. Parts Repair

Should you require us to repair and return the original part, we will normally repair and ship the part within thirty (30) days of receipt of the defective part.

c. Upgrade of Parts

When the Government returns a defective part for repair, it will also receive mandatory upgrades.

3. Your Responsibilities Under the TAC & Parts Services Program

In providing support services, our goal is to make sure your network is up and running at all times. With this in mind, the TAC & Parts Services Program is designed for users with the technical capabilities to provide on-site service to your network with the telephone assistance of TAC. To make sure that you have the appropriate level of technical assistance, during the term of the TAC & Parts Services Program, you must have two employees who have successfully completed maintenance classes appropriate for the Equipment located at the sites to be serviced by those employees. In addition, you must stock and use your own spare parts for immediate remedial action required at each Equipment site. Under TAC & Parts Service Program, N.E.T.'s obligation is to exchange or repair the defective parts after removal, but is not intended to directly remedy a failure.

To receive services under the TAC & Parts Service Program, all communications must be through TAC. For part repair or exchange, a Return Materials Authorization form ("RMA") will be provided to you and must accompany the defective part. You pay for shipment of defective parts to us and we pay for shipment of replaced or repaired parts back to you.

**4. Selecting a Service Level**

You may select a combination of the TAC & Parts Service Program with the On-Site Service Program for Nodes comprising a single network. Equipment you install or Equipment not covered by a service contract with us after the Product Warranty expires must be certified before this TAC & Parts Service Program can go into effect. Charges for Certification of the node will be made by the customer at N.E.T.'s GSA Time and Material rate.

5. Services Not Provided under the TAC & Parts Services Program

The following services are not provided under the TAC & Parts Service Program, but may be available on a Time and Materials basis or under another Service Program: i) on-site support. If you request On-Site support, it will be billed at the GSA Time and Material rate including time for travel to the Equipment site and hours on-site, ii) non-N.E.T. related problems, iii) Telco problems requiring on-site support, iv) relocation or reconfiguration of Equipment, v) telephone assistance in installing Products, vi) non-mandatory engineering changes. The Government acknowledges and agrees that after December 31, 1999 N.E.T. will be relieved of any obligation to provide Services for Products which have not been upgraded to the minimum requirements for Year 2000 Compliance defined in the then-current N.E.T. Year 2000 Compliance Program available at <http://www.net.com>.

6. Charges for the TAC & Parts Services Program

Charges for N.E.T.'s TAC & Parts Maintenance is on a quarterly basis.

N.E.T. TIME AND MATERIALS SERVICE PROGRAM

Time and Materials Services are designed for customers whose personnel are experienced enough that outside service assistance is minimal. You receive telephone access to our Technical Assistance Center ("TAC"), have defective parts repaired and returned, and receive on-site maintenance support on a limited basis, all at our hourly Time and Materials rate plus pay for travel and other expenses. Time and Materials Services cover Products indicated in the Maintenance Schedule. For Products not covered, contact your sales or service representative regarding available services. Unless otherwise defined in this Service Program, defined terms in the Agreement shall have the same meaning when used in this Service Program.

1. Telephone Assistance from the Technical Assistance Center.

We provide telephone assistance from TAC 24 hours a day, seven days a week including holidays. TAC support will: 1) determine the nature of Product problems you report and identify appropriate corrective action, and 2) provide answers to your technical questions related to Product use. You must provide a minimum 28.8Kbps dial up modem and telephone line for each Node to be accessed by TAC in order to receive remote diagnostic services. The Promina 2000 requires an ISDN BRI line for either a Sun Ultra with an ISDN port or a Cisco 76X access router or equivalent at the gateway node location.

a. No Priority Response from TAC.

Time and Material customers do not receive a priority when calling into TAC. Customers under an On-site Service Program, the TAC & Parts Service Programs, and customers under Product Warranty receive priority for their TAC calls ahead of Time and Material Customers. TAC may return a call from the Government on the next business day.

2. On-Site Maintenance Support on a Reasonable Efforts Basis.

N.E.T. will provide on-site maintenance support Monday through Friday, 8:00 a.m. to 5:00 p.m. local Time. Please be aware that as a Time and Materials customer, there is no priority response for your on-site service requests. On-site service will be provided to Time and Material customers after customers with On-Site Services Programs on an as available basis, as agreed to between the parties.

3. Parts Repair.

Should the Government require repair of a defective part, you must obtain a Return Materials Authorization (RMA) number provided by N.E.T.'s Corporate Repair Center (CRC) and ship the defective part with the RMA to the designated CRC. N.E.T. will repair and ship the part within thirty (30) days of receipt.

4. Your Responsibilities under Time and Materials Services

In an emergency, N.E.T. will provide Time and Materials Services upon receipt of a faxed copy of your GSA Schedule Order. To prevent delays in obtaining Time and Materials Services, we recommend that you issue a blanket Service Order for all Time and Materials Services.

**5. Charges for Time and Material Services.**

For Time and Materials Services, you will be charged the prevailing GSA Time and Materials rate when the Services are provided. TAC assistance is billed for a minimum of one-half (1/2) hour. On-Site support is billed for a minimum of three (3) hours labor plus parts and travel expenses in accordance with Joint Travel Regulation Guidelines for those sites outside established service locations.

Repairs are charged at fifty percent (50%) of the published N.E.T. List Price effective June 1999. Mandatory upgrades performed when a defective part has been returned for repair are included. Non-mandatory upgrades of parts not in need of other repair are charged at twenty-five percent (25%) of published N.E.T. List Price effective June 1999. The Government pays for shipment of defective parts to N.E.T. and N.E.T. pays for shipment of repaired parts back to the Government.

8. MAINTENANCE RATE PROVISIONS

a. The Contractor shall bear all costs of maintenance as outlined in the Service Plan Options, including labor, parts, and such other expenses as are necessary to keep the equipment in good operating condition, provided that the required repairs are not occasioned by fault or negligence of the Government.

b. REGULAR HOURS

The basic monthly rate for each make and model of equipment shall entitle the Government to maintenance service during a mutually agreed upon nine (9) hour principal period of maintenance, Monday through Friday, exclusive of holidays observed at the Government location (except for TAC and Parts Service Plan).

c. AFTER HOURS

Should the Government require that maintenance be performed outside of Regular Hours, charges for such maintenance, if any, will be specified in the pricelist. Periods of less than one hour will be prorated to the nearest quarter hour unless Full Service Plan purchase includes 24x7 On-site Support.

d. TRAVEL AND TRANSPORTATION

If any charge is to apply, over and above the regular maintenance rates, because of the distance between the Government location and the Contractor's service area, the charge will be in accordance with the terms and conditions stated herein. Where travel to the site is beyond the Contractor's established Service areas, travel and per diem expenses shall be charged in accordance with Joint Travel Regulation Guidelines.

e. QUANTITY DISCOUNTS

There are no quantity discounts for maintenance services.

9. REPAIR SERVICE RATE PROVISIONS

a. CHARGES. Charges for repair service will include the labor charge, computed at the rates set forth below, for the time during which repairmen are actually engaged in work, and, when applicable, the charge for travel or transportation and wait-time (delay) unless delay is caused by the Government.

b. MULTIPLE MACHINES. When repairs are ordered by a Government agency on two or more machines located in one or more buildings within walking distance of each other, the charges will be computed from the time the repairman commences work on the first machine, until the work is completed on the last machine. The time required to go from one machine to another, or from one building to another, will be considered actual work performance, and chargeable to the Government, provided the time consumed in going between machines (or buildings) is reasonable.

9. REPAIR SERVICE RATE PROVISIONS (continued)

c. TRAVEL OR TRANSPORTATION

(1) AT THE CONTRACTOR'S SHOP

(a) When equipment is returned to the Contractor's shop for adjustments or repairs which are not covered by the guarantee/warranty provision, the cost of transportation, packing, etc., from the Government location to the Contractor's plant, and return to the Government location, shall be borne by the Government.

(b) The Government should not return defective equipment to the Contractor for adjustments and repairs or replacement without his prior consultation and instruction.

(2) AT THE GOVERNMENT LOCATION (Within Established Service Areas)

When equipment is repaired at the Government location, and repair service rates are established for service areas or zones, the listed rates are applicable to any Government location within such service areas or zones. No extra charge, time, or expense will be allowed for travel or transportation of repairmen or machines to or from the Government office; such overhead is included in the repair service rates listed.

(3) AT THE GOVERNMENT LOCATION (Outside Established Service Areas)

(a) The repair service rates listed for subparagraph (2) above apply, except that a travel charge of .325 per mile for repairmen will apply to the round-trip distance between the geographic limits of the applicable service area and the Government location. Such charge will apply as an additional charge, but it will be limited to one round trip for each request that is made by the ordering activity for repair service, regardless of whether repairs are performed at the Government location or at the Contractor's shop.

(4) AT THE GOVERNMENT LOCATION (Outside Established Service Areas) (continued)

(b) When the overall travel charge computed at the above mileage rate is unreasonable (considering the time required for travel, actual and necessary transportation costs, and the allowable Government per diem rate for each night the repairman is required to remain overnight at the Government location), the Government shall have the option of reimbursing the Contractor for actual costs, provided that the actual costs are reasonable and allowable. The Contractor shall furnish the Government with a report of travel performed and related expenses incurred. The report shall include departure and arrival dates, times, and the applicable mode of travel.

d. LABOR RATES

(1) REGULAR HOURS

The Regular Hours repair service rates listed herein shall entitle the Government to repair service during the period 8:00 a.m. to 5:00 p.m., Monday through Friday, exclusive of holidays observed at the Government location. There shall be no additional charge for repair service which was requested during Regular Hours, but performed outside the Regular Hours defined above, at the convenience of the Contractor.

(2) AFTER HOURS

When the Government requires that repair service be performed outside the Regular Hours defined above, except Sundays and Holidays observed at the Government location, the After Hours repair service rates listed herein shall apply. The Regular Hours rates defined above shall apply when repair service is requested during Regular Hours, but performed After Hours at the convenience of the Contractor.

**9. REPAIR SERVICE RATE PROVISIONS (continued)****(3) SUNDAYS AND HOLIDAYS**

When the Government requires that repair service be performed on Sundays and Holidays observed at the Government location, the Sundays and Holidays repair service rates listed herein shall apply. When repair service is requested to be performed during Regular Hours and/or After Hours, but is performed at the convenience of the Contractor on Sundays or Holidays observed at the Government location, the Regular Hours and/or After Hours repair service rates, as applicable, shall apply.

REPAIR SERVICE RATES

<u>LOCATION</u>	<u>MINIMUM CHARGE*</u>	<u>REGULAR HOURS PER HOUR**</u>	<u>AFTER HOURS PER HOUR**</u>	<u>SUNDAYS AND HOLIDAYS PER HOUR</u>
CONTRACTOR'S SHOP	\$500	\$175	\$200	\$250
GOVERNMENT LOCATION (WITHIN ESTABLISHED SERVICE AREAS)	3Hrs	\$175	\$200	\$250
GOVERNMENT LOCATION (OUTSIDE ESTABLISHED SERVICE AREAS)	3Hrs	\$175	\$200	\$250

*MINIMUM CHARGES INCLUDE 3 FULL HOURS ON THE JOB.

**FRACTIONAL HOURS, AT THE END OF THE JOB, WILL BE PRORATED TO THE NEAREST QUARTER HOUR.

10. REPAIR PARTS/SPARE PARTS RATE PROVISIONS

All parts, furnished as spares or as repair parts in connection with the repair of equipment, unless otherwise indicated in this pricelist, shall be new or refurbished and equivalent and warranted as new, standard parts manufactured by the equipment manufacturer. All parts shall be furnished at prices indicated in the Contractor's commercial pricelist effective June 1999 at a discount of 50% from such listed prices.

11. GUARANTEE/WARRANTY—REPAIR SERVICE AND REPAIR PARTS**a. REPAIR SERVICE**

All repair work will be guaranteed/warranted for a period of 90 Days.

b. REPAIR PARTS

All parts, furnished either as spares or repairs parts will be guaranteed/warranted for a period 90 Days.



N.E.T. Federal

Terms And Conditions

For Information Call
703.556.7740

12. INVOICES AND PAYMENTS

a. Maintenance Service

(1) Invoices for maintenance service shall be submitted by the Contractor on a quarterly or monthly basis, after the completion of such period. Maintenance charges must be paid in arrears (31 U.S.C. 3324). PROMPT PAYMENT DISCOUNT, IF APPLICABLE, SHALL BE SHOWN ON THE INVOICE.

(2) Payment for maintenance service of less than one month's duration shall be prorated at 1/30th of the monthly rate for each calendar day.

b. Repair Service and Repair Parts/Spare Parts

Invoices for repair service and parts shall be submitted by the Contractor as soon as possible after completion of work. Payment under blanket purchase agreements will be made quarterly or monthly, except where cash payment procedures are used. Invoices shall be submitted separately to each Government office ordering services under the contract. The cost of repair parts shall be shown as a separate item on the invoice, and shall be priced in accordance with paragraph #10, above. PROMPT PAYMENT DISCOUNT, IF APPLICABLE, SHALL BE SHOWN ON THE INVOICE.



IV. TERMS AND CONDITIONS APPLICABLE TO PERPETUAL SOFTWARE LICENSES (SPECIAL ITEM NUMBER 132-33) GENERAL PURPOSE COMMERCIAL INFORMATION TECHNOLOGY SOFTWARE

1. INSPECTION/ACCEPTANCE

The Contractor shall only tender for acceptance those items that conform to the requirements of this contract. The Government reserves the right to inspect or test any software that has been tendered for acceptance. The Government may require repair or replacement of nonconforming software at no increase in contract price. The Government must exercise its postacceptance rights in writing:

(1) Within a reasonable time after the defect was discovered or should have been discovered; and

(2) Before any substantial change occurs in the condition of the item, unless the change is due to the defect in the item. However, at no time shall acceptance be later than thirty (30) days from receipt of the software, acceptance shall be deemed to have occurred on the thirty-first (31st) day from receipt of software.

2. GUARANTEE/WARRANTY

a. Unless specified otherwise in this contract, the Contractor's standard commercial guarantee/warranty as stated in the contract's commercial pricelist will apply to this contract.

PRODUCT WARRANTY

During the "Warranty Period" defined below, Contractor warrants that Equipment will be free from defects in material and workmanship and Software will operate substantially as described in the End User Documentation ("Specifications") shipped with the Products. The Government acknowledges and agrees that no documents other than N.E.T.'s Specifications, and no statements, oral and/or written, made by any Contractor representative, create any express or implied warranty. Specifications are subject to change without notice as the Contractor incorporates additional information or change hardware or software.

The Contractor will, during the Warranty Period: 1) provide telephone support from N.E.T.'s Technical Assistance Center ("TAC") twenty-four (24) hours a day, seven (7) days a week including national holidays ("Hours of Telephone Support"); 2) repair defective parts on a return-to-factory basis; 3) remedy Software defects under the terms of Section B below; and 4) for IDNX and STM Products, make available Disaster Node Equipment on the terms and conditions below. Repaired Equipment may contain reconditioned parts that are equivalent to new in performance.

N.E.T. Software Products

1. IDNX and STM Products. For IDNX and STM Software, the Warranty Period is one (1) year. During the Warranty Period and within the Hours of Telephone Support, including national holidays, the Contractor will use reasonable efforts, depending upon the circumstances, to either: 1) correct errors identified to or by N.E.T.; or 2) provide workarounds for identified errors. All Software support will be provided from TAC as described above. At N.E.T.'s option, correction of identified Software errors may be made in later releases of Software and may require the purchase of additional Hardware at the Government's expense. If Software errors are corrected in later releases of the Software, those releases will be provided to the Government free of charge only during the Warranty Period.



N.E.T. Software Products (continued)

2. Promina and Panavue Products. For Promina and Panavue Network Management Software, the Warranty Period is ninety (90) days. During the Warranty Period and within the Hours of Telephone Support, including national holidays, the Contractor will use reasonable efforts, depending upon the circumstances, to either: 1) correct errors in the Software identified to or by us; or 2) provide workarounds for identified errors. At N.E.T.'s option, correction of identified Software errors may be made in later releases of Software and may require the purchase of additional Hardware at the Government's expense. If Software errors are corrected in later releases of the Software, those releases will be provided to the Government free of charge only during the Warranty Period. All Software support will be provided from TAC as described above.

Year 2000. Products identified by us as "Year 2000 Compliant" as of the date of shipment or upgrade are warranted to conform to N.E.T.'s definition of Year 2000 Compliance, which is based on the British Standards Institution DISC PD2000-1 definition of compliance, and to operate in accordance with this definition at least until the year 2020 when operated at their current software revision in accordance with their documentation. N.E.T.'s definition of Year 2000 Compliance and the compliance status of specific Products is contained in N.E.T.'s Year 2000 Compliance Program which can be found on N.E.T.'s website at <http://www.net.com>. Our Year 2000 compliance Warranty does not apply to the extent that Product failures are due to non-Year 2000 compliant third party operating systems, hardware platforms or software products.

General

The Product Warranty does not apply to any Product that has been: (a) altered; (b) subjected to misuse; (c) improperly maintained; (d) damaged by negligence or accident; or (e) damaged by excessive current, temperature, connection of incompatible equipment, or other deviation from applicable environmental specifications. Furthermore, this Warranty does not apply to expendable supplies and accessories normally consumed during operation of the Product. If the Contractor determines that any Equipment returned is not defective within the terms of this warranty, the Government will pay all costs of handling, transportation and repairs or replacement at N.E.T.'s T & M rate. This Product Warranty sets forth the Contractor's sole obligation with respect to hardware and software defects found in Products.

THIS PRODUCT WARRANTY DOES NOT INCLUDE ON-SITE SUPPORT. ON-SITE SUPPORT MAY BE AVAILABLE DURING THE WARRANTY PERIOD FOR AN ADDITIONAL CHARGE AND SUBJECT TO THE TERMS AND CONDITIONS OF THIS CONTRACT. THIS WARRANTY IS LIMITED TO THE U.S. GOVERNMENT ONLY AND IS IN LIEU OF, AND YOU WAIVE, ALL OTHER WARRANTIES, EXPRESS OR IMPLIED, INCLUDING THE IMPLIED WARRANTIES OF MERCHANTABILITY AND FITNESS FOR A PARTICULAR PURPOSE. WE DO NOT WARRANT THAT SOFTWARE WILL BE ERROR FREE OR THAT PRODUCTS WILL OPERATE WITHOUT INTERRUPTION



N.E.T. CORPORATE REPAIR CENTER PARTS REQUEST AND RETURN PROCEDURES

In order to expedite all parts replacement requests through N.E.T.'s Corporate Repair Center (CRC), please use the following procedure:

1. Contact NET CRC toll free 1-800-800-4638 menu selection #1 for all parts replacements.

2. CRC will need the following information to process all parts replacement requests:

- Part number
- Part description
- Quantity
- Commercial telephone number
- Customer
- Ship to address
- Point of contact
- Description of problem with faulty part if known.
- Serial number
- Sales Order number - Newly received parts only

Note This information is very important if leaving a voicemail.

3. CRC will provide a Return Materials Authorization (RMA) number and expected ship date of the replacement part(s).

4. The shipment from CRC will include:

- Replacement part in an ESD bag,
- Inventory Asset Transaction form (IAT),
- Card/Component tag,
- Mailing label with the RMA number on it.

5. After the parts are received, use the same shipping materials to return the faulty equipment. Completely fill out the Card/Component tag, retain the yellow copy and place remaining copies in the ESD bag with the faulty part. Fill out the IAT form, retain the goldenrod copy, and place remaining forms in the box.

6. Billing procedures will begin if parts are not returned to CRC within 30 days.

7. If any problems are encountered when ordering replacement parts, contact N.E.T. Federal, Inc. at 1-703-556-7740.

FOR CLIENTS WITH "NO" NET MAINTENANCE CONTRACT

1. Non-maintenance clients needing repair and/ or replacement of parts should contact the NET sales team to obtain a quote for the request.

2. After the quote is obtained, the client must provide NET a purchase order (PO) for the agreed amount and action requested.

3. After the PO is received, the sales team will coordinate with the Field Service and Operations Group to facilitate the replacement/ repair process.

3. TECHNICAL SERVICES

The Contractor, without additional charge to the Government, shall provide a hot line technical support number **1-800-800-4638** for the purpose of providing user assistance and guidance in the implementation of the software. The technical support number is available Monday through Friday 8am to 8pm, Eastern Standard Time.



4. UTILIZATION LIMITATIONS - (132-33)

- a. Software acquisition is limited to commercial computer software defined in FAR Part 2.101.
- b. When acquired by the Government, commercial computer software and related documentation so legend shall be subject to the following:
 - (1) Title to and ownership of the software and documentation shall remain with the Contractor, unless otherwise specified.
 - (2) Software licenses are by site and by agency. An agency is defined as a cabinet level or independent agency. The software may be used by any subdivision of the agency (service, bureau, division, command, etc.) that has access to the site the software is placed at, even if the subdivision did not participate in the acquisition of the software. Further, the software may be used on a sharing basis where multiple agencies have joint projects that can be satisfied by the use of the software placed at one agency's site. This would allow other agencies access to one agency's database. For Government public domain databases, user agencies and third parties may use the computer program to enter, retrieve, analyze and present data. The user agency will take appropriate action by instruction, agreement, or otherwise, to protect the Contractor's proprietary property with any third parties that are permitted access to the computer programs and documentation in connection with the user agency's permitted use of the computer programs and documentation. For purposes of this section, all such permitted third parties shall be deemed agents of the user agency.
 - (3) Except as is provided in paragraph 8.b(2) above, the Government shall not provide or otherwise make available the software or documentation, or any portion thereof, in any form, to any third party without the prior written approval of the Contractor. Third parties do not include prime Contractors, subcontractors and agents of the government who have the Government's permission to use the licensed software and documentation at the facility, and who have agreed to use the licensed software and documentation only in accordance with these restrictions. This provision does not limit the right of the Government to use software, documentation, or information therein, which the Government may already have or obtains without restrictions.
 - (4) The Government shall have the right to use the computer software and documentation with the computer for which it is acquired at any other facility to which that computer may be transferred, or in cases of disaster recovery, the Government has the right to transfer the software to another site if the Government site for which it is acquired is deemed to be unsafe for Government personnel; to use the computer software and documentation with a backup computer when the primary computer is inoperative; to copy computer programs for safekeeping (archives) or backup purposes; to transfer a copy of the software to another site for purposes of benchmarking new hardware and/or software; and to modify the software and documentation or combine it with other software, provided that the unmodified portions shall remain subject to these restrictions.
 - (5) "Commercial Computer Software" may be marked with the Contractor's standard commercial restricted rights legend, but the schedule contract and schedule pricelist, including this clause, "Utilization Limitations" are the only governing terms and conditions, and shall take precedence and supersede any different or additional terms and conditions included in the standard commercial legend.

5. DESCRIPTIONS AND EQUIPMENT COMPATIBILITY

The Contractor shall include, in the schedule pricelist, a complete description of each software product and a list of equipment on which the software can be used. Also, included shall be a brief, introductory explanation of the modules and documentation which are offered. For assistance in preparing orders, please contact N.E.T. Federal, Inc. at (703)556-7740; or consult the N.E.T. Hardware Order Processing Guide.

6. RIGHT-TO-COPY PRICING

Right to copy pricing is not available under the scope of this contract.

**V.****TERMS AND CONDITIONS APPLICABLE TO PURCHASE
OF TRAINING COURSES FOR GENERAL PURPOSE
COMMERCIAL INFORMATION TECHNOLOGY
EQUIPMENT AND SOFTWARE
(SPECIAL ITEM NUMBER 132-50)****1. SCOPE**

a. The Contractor shall provide training courses normally available to commercial customers, which will permit Government users to make full, efficient use of general purpose commercial IT products. Training is restricted to training courses for those products within the scope of this contract.

b. The Contractor shall provide training at the Contractor's facilities at 6500 Paseo Padre Parkway, Fremont, California and 21580 Beaumeade Circle (Suite 220) Ashburn, Virginia. Training at the Government's location may be available under certain specific conditions, as agreed to by the Contractor and the Government. Availability of training courses and student scheduling is limited to Contractor's commercial training schedule.

2. ORDER

Written orders, EDI orders (GSA Advantage! and FACNET), credit card orders, and orders placed under blanket purchase agreements (BPAs) shall be the basis for the purchase of training courses in accordance with the terms of this contract. Orders shall include the student's name, course title, course date and time, and contracted dollar amount of the course.

3. TIME OF DELIVERY

The Contractor shall conduct training on the date (time, day, month, and year) agreed to by the Contractor and the Government.

4. CANCELLATION AND RESCHEDULING

a. The Government will notify the Contractor at least two (2) weeks before the scheduled training date, if a student will be unable to attend. The Contractor will then permit the Government to either cancel the order or reschedule the training at no additional charge. In the event the training class is rescheduled, the Government will modify its original training order to specify the time and date of the rescheduled training class.

b. In the event the Government fails to cancel or reschedule a training course within the time frame specified in paragraph a, above, the Government will be liable for the contracted dollar amount of the training course. The Contractor agrees to permit the Government to reschedule a student who fails to attend a training class within ninety (90) days from the original course date, at no additional charge.

c. The Government reserves the right to substitute one student for another up to the first day of class.

d. In the event the Contractor is unable to conduct training on the date agreed to by the Contractor and the Government, the Contractor must notify the Government at least seventy-two (72) hours before the scheduled training date.

5. FOLLOW-UP SUPPORT

The Contractor agrees to provide each student with reasonable assistance via telephone support for a period of one (1) year from the completion of the training course. During this period, the student may contact the Contractor's instructors for refresher assistance and answers to related course curriculum questions.

6. PRICE FOR TRAINING

The price that the Government will be charged will be the Government training price in effect at the time of order placement, or the Government price in effect at the time the training course is conducted, whichever is less.

**7. INVOICES AND PAYMENT**

Invoices for training shall be submitted by the Contractor after Government completion of the training course. Charges for training must be paid in arrears (31 U.S.C. 3324). PROMPT PAYMENT DISCOUNT, IF APPLICABLE, SHALL BE SHOWN ON THE INVOICE.

8. FORMAT AND CONTENT OF TRAINING

- a. The Contractor shall provide written materials (i.e., manuals, handbooks, texts, etc.) normally provided with course offerings. Such documentation will become the property of the student upon completion of the training class.
- b. For hands-on training courses, there must be a one-to-one assignment of IT equipment to students.
- c. The Contractor shall provide each student with a Certificate of Training at the completion of each training course.
- d. The Contractor shall provide the following information for each training course offered:
 - (1) The course title and a brief description of the course content, to include the course format (e.g., lecture, discussion, hands-on training);
 - (2) The length of the course;
 - (3) Mandatory and desirable prerequisites for student enrollment;
 - (4) The minimum and maximum number of students per class;
 - (5) The locations where the course is offered;
 - (6) Class schedules; and
 - (7) Price (per student, per class (if applicable)).
- e. For those courses conducted at the Government's location, instructor travel charges (if applicable), including mileage and daily living expenses, must be indicated below. Rates paid as a result of travel must comply with the Federal Travel Regulation or Joint Travel Regulations, as applicable, in effect on the date(s) the travel is performed. Contractors cannot use GSA city pair contracts.

VI. TERMS AND CONDITIONS APPLICABLE TO INFORMATION TECHNOLOGY (IT) PROFESSIONAL SERVICES (SPECIAL ITEM NUMBER 132-51)

1.A. SCOPE

a. The prices, terms and conditions stated under Special Item Number 132-51 Information Technology Professional Services apply exclusively to IT Services within the scope of this Information Technology Schedule.

b. The Contractor shall provide services at the Contractor's facility and/or at the Government location, as agreed to by the Contractor and the ordering office.

1.B. PERFORMANCE INCENTIVES

(a) When using a performance based statement of work, performance incentives may be agreed upon between the Contractor and the ordering office on individual fixed price orders or Blanket Purchase Agreements, for fixed price tasks, under this contract in accordance with this clause.

(b) The ordering office must establish a maximum performance incentive price for these services and/or total solutions on individual orders or Blanket Purchase Agreements.

(c) To the maximum extent practicable, ordering offices shall consider establishing incentives where performance is critical to the agency's mission and incentives are likely to motivate the contractor. Incentives shall be based on objectively measurable tasks.

(d) The above procedures do not apply to Time and Material or labor hour orders.

2. ORDERING PROCEDURES FOR SERVICES (REQUIRING A STATEMENT OF WORK)

FAR 8.402 contemplates that GSA may occasionally find it necessary to establish special ordering procedures for individual Federal Supply Schedules or for some Special Item Numbers (SINs) within a Schedule. GSA has established special ordering procedures for services that require a Statement of Work. These special ordering procedures take precedence over the procedures in FAR 8.404 (b)(2) through (b)(3).

GSA has determined that the prices for services contained in the contractor's price list applicable to this Schedule are fair and reasonable. However, the ordering office using this contract is responsible for considering the level of effort and mix of labor proposed to perform a specific task being ordered and for making a determination that the total firm-fixed price or ceiling price is fair and reasonable.

(a) When ordering services, ordering offices shall---

(1) Prepare a Request (Request for Quote or other communication tool):

(i) A statement of work (a performance-based statement of work is preferred) that outlines, at a minimum, the work to be performed, location of work, period of performance, deliverable schedule, applicable standards, acceptance criteria, and any special requirements (i.e., security clearances, travel, special knowledge, etc.) should be prepared.



2. ORDERING PROCEDURES FOR SERVICES (REQUIRING A STATEMENT OF WORK) (continued)

(ii) The request should include the statement of work and request the contractors to submit either a firm-fixed price or a ceiling price to provide the services outlined in the statement of work. A firm-fixed price order shall be requested, unless the ordering office makes a determination that it is not possible at the time of placing the order to estimate accurately the extent or duration of the work or to anticipate cost with any reasonable degree of confidence. When such a determination is made, a labor hour or time-and-materials proposal may be requested. The firm-fixed price shall be based on the rates in the schedule contract and shall consider the mix of labor categories and level of effort required to perform the services described in the statement of work. The firm-fixed price of the order should also include any travel costs or other incidental costs related to performance of the services ordered, unless the order provides for reimbursement of travel costs at the rates provided in the Federal Travel or Joint Travel Regulations. A ceiling price must be established for labor-hour and time-and materials orders.

(iii) The request may ask the contractors, if necessary or appropriate, to submit a project plan for performing the task, and information on the contractor's experience and/or past performance performing similar tasks.

(iv) The request shall notify the contractors what basis will be used for selecting the contractor to receive the order. The notice shall include the basis for determining whether the contractors are technically qualified and provide an explanation regarding the intended use of any experience and/or past performance information in determining technical qualification of responses. If consideration will be limited to schedule contractors who are small business concerns as permitted by paragraph (2)(i) below, the request shall notify the contractors that will be the case.

(2) **Transmit the Request to Contractors:**

(i) Based upon an initial evaluation of catalogs and price lists, the ordering office should identify the contractors that appear to offer the best value (considering the scope of services offered, pricing and other factors such as contractors' locations, as appropriate). When buying IT professional services under SIN 132-51 ONLY, the ordering office, at its discretion, may limit consideration to those schedule contractors that are small business concerns. This limitation is not applicable when buying supplies and/or services under other SINs as well as SIN 132-51. The limitation may only be used when at least three (3) small businesses that appear to offer services that will meet the agency's needs are available, if the order is estimated to exceed the micro-purchase threshold.

(ii) The request should be provided to three (3) contractors if the proposed order is estimated to exceed the micro-purchase threshold, but not exceed the maximum order threshold. For proposed orders exceeding the maximum order threshold, the request should be provided to additional contractors that offer services that will meet the agency's needs. Ordering offices should strive to minimize the contractors' costs associated with responding to requests for quotes for specific orders. Requests should be tailored to the minimum level necessary for adequate evaluation and selection for order placement. Oral presentations should be considered, when possible.

(3) **Evaluate Responses and Select the Contractor to Receive the Order:**

After responses have been evaluated against the factors identified in the request, the order should be placed with the schedule contractor that represents the best value. (See FAR 8.404)

(b) The establishment of Federal Supply Schedule Blanket Purchase Agreements (BPAs) for recurring services is permitted when the procedures outlined herein are followed. All BPAs for services must define the services that may be ordered under the BPA, along with delivery or performance time frames, billing procedures, etc. The potential volume of orders under BPAs, regardless of the size of individual orders, may offer the ordering office the opportunity to secure volume discounts. When establishing BPAs, ordering offices shall---

(1) Inform contractors in the request (based on the agency's requirement) if a single BPA or multiple BPAs will be established, and indicate the basis that will be used for selecting the contractors to be awarded the BPAs.



2. ORDERING PROCEDURES FOR SERVICES (REQUIRING A STATEMENT OF WORK) (continued)

(i) **SINGLE BPA:** Generally, a single BPA should be established when the ordering office can define the tasks to be ordered under the BPA and establish a firm-fixed price or ceiling price for individual tasks or services to be ordered. When this occurs, authorized users may place the order directly under the established BPA when the need for service arises. The schedule contractor that represents the best value should be awarded the BPA. (See FAR 8.404)

(ii) **MULTIPLE BPAs:** When the ordering office determines multiple BPAs are needed to meet its requirements, the ordering office should determine which contractors can meet any technical qualifications before establishing the BPAs. When multiple BPAs are established, the authorized users must follow the procedures in (a)(2)(ii) above and then place the order with the Schedule contractor that represents the best value.

(2) **Review BPAs Periodically:** Such reviews shall be conducted at least annually. The purpose of the review is to determine whether the BPA still represents the best value. (See FAR 8.404)

(c) The ordering office should give preference to small business concerns when two or more contractors can provide the services at the same firm-fixed price or ceiling price.

(d) When the ordering office's requirement involves both products as well as executive, administrative and/or professional, services, the ordering office should total the prices for the products and the firm-fixed price for the services and select the contractor that represents the best value. (See FAR 8.404)

(e) The ordering office, at a minimum should document orders by identifying the contractor from which the services were purchased, the services purchased, and the amount paid. If other than a firm-fixed price order is placed, such documentation should include the basis for the determination to use a labor-hour or time-and-materials order. For agency requirements in excess of the micro-purchase threshold, the order file should document the evaluation of Schedule contractors' quotes that formed the basis for the selection of the contractor that received the order and the rationale for any trade-offs made in making the selection.

(f) Ordering procedures for other services available on schedule at fixed prices for specifically defined services or tasks should use the procedures in FAR 8.404. These procedures are listed in the pricelist, under "Information for Ordering Offices," paragraph #12.

3. ORDER

a. Agencies may use written orders, EDI orders, blanket purchase agreements, individual purchase orders, or task orders for ordering services under this contract. Blanket Purchase Agreements shall not extend beyond the end of the contract period; all services and delivery shall be made and the contract terms and conditions shall continue in effect until the completion of the order. Orders for tasks which extend beyond the fiscal year for which funds are available shall include FAR 52.232-19 Availability of Funds for the Next Fiscal Year. The purchase order shall specify the availability of funds and the period for which funds are available.

b. All task orders are subject to the terms and conditions of the contract. In the event of conflict between a task order and the contract, the contract will take precedence.

4. PERFORMANCE OF SERVICES

a. The Contractor shall commence performance of services on the date agreed to by the Contractor and the ordering office.

b. The Contractor agrees to render services only during normal working hours, unless otherwise agreed to by the Contractor and the ordering office.

c. The Agency should include the criteria for satisfactory completion for each task in the Statement of Work or Delivery Order. Services shall be completed in a good and workmanlike manner.



4. PERFORMANCE OF SERVICES (continued)

d. Any Contractor travel required in the performance of IT Services must comply with the Federal Travel Regulation or Joint Travel Regulations, as applicable, in effect on the date(s) the travel is performed. Established Federal Government per diem rates will apply to all Contractor travel. Contractors cannot use GSA city pair contracts.

5. INSPECTION OF SERVICES

The Inspection of Services–Fixed Price (AUG 1996) clause at FAR 52.246-4 applies to firm-fixed price orders placed under this contract. The Inspection–Time-and-Materials and Labor-Hour (JAN 1986) clause at FAR 52.246-6 applies to time-and-materials and labor-hour orders placed under this contract.

6. RESPONSIBILITIES OF THE CONTRACTOR

The Contractor shall comply with all laws, ordinances, and regulations (Federal, State, City, or otherwise) covering work of this character.

7. RESPONSIBILITIES OF THE GOVERNMENT

Subject to security regulations, the ordering office shall permit Contractor access to all facilities necessary to perform the requisite IT Services.

8. INDEPENDENT CONTRACTOR

All IT Services performed by the Contractor under the terms of this contract shall be as an independent Contractor, and not as an agent or employee of the Government.

9. ORGANIZATIONAL CONFLICTS OF INTEREST

a. Definitions.

“Contractor” means the person, firm, unincorporated association, joint venture, partnership, or corporation that is a party to this contract.

“Contractor and its affiliates” and “Contractor or its affiliates” refers to the Contractor, its chief executives, directors, officers, subsidiaries, affiliates, subcontractors at any tier, and consultants and any joint venture involving the Contractor, any entity into or with which the Contractor subsequently merges or affiliates, or any other successor or assignee of the Contractor.

An “Organizational conflict of interest” exists when the nature of the work to be performed under a proposed Government contract, without some restriction on activities by the Contractor and its affiliates, may either (i) result in an unfair competitive advantage to the Contractor or its affiliates or (ii) impair the Contractor’s or its affiliates’ objectivity in performing contract work.

b. To avoid an organizational or financial conflict of interest and to avoid prejudicing the best interests of the Government, ordering offices may place restrictions on the Contractors, its affiliates, chief executives, directors, subsidiaries and subcontractors at any tier when placing orders against schedule contracts. Such restrictions shall be consistent with FAR 9.505 and shall be designed to avoid, neutralize, or mitigate organizational conflicts of interest that might otherwise exist in situations related to individual orders placed against the schedule contract. Examples of situations, which may require restrictions, are provided at FAR 9.508.

10. INVOICES

The Contractor, upon completion of the work ordered, shall submit invoices for IT services. Progress payments may be authorized by the ordering office on individual orders if appropriate. Progress payments shall be based upon completion of defined milestones or interim products. Invoices shall be submitted monthly for recurring services performed during the preceding month.

**11. PAYMENTS**

For firm-fixed price orders the Government shall pay the Contractor, upon submission of proper invoices or vouchers, the prices stipulated in this contract for service rendered and accepted. Progress payments shall be made only when authorized by the order. For time-and-materials orders, the Payments under Time-and-Materials and Labor-Hour Contracts (Alternate I (APR 1984)) at FAR 52.232-7 applies to time-and-materials orders placed under this contract. For labor-hour orders, the Payment under Time-and-Materials and Labor-Hour Contracts (FEB 1997) (Alternate II (JAN 1986)) at FAR 52.232-7 applies to labor-hour orders placed under this contract.

12. RESUMES

Resumes shall be provided to the GSA Contracting Officer or the user agency upon request.

13. INCIDENTAL SUPPORT COSTS

Incidental support costs are available outside the scope of this contract. The costs will be negotiated separately with the ordering agency in accordance with the guidelines set forth in the FAR.

14. APPROVAL OF SUBCONTRACTS

The ordering activity may require that the Contractor receive, from the ordering activity's Contracting Officer, written consent before placing any subcontract for furnishing any of the work called for in a task order.

15. DESCRIPTION OF IT SERVICES AND PRICING

a. The Contractor shall provide a description of each type of IT Service offered under Special Item Number 132-51. IT Services should be presented in the same manner as the Contractor sells to its commercial and other Government customers. If the Contractor is proposing hourly rates, a description of all corresponding commercial job titles (labor categories) for those individuals who will perform the service should be provided.

b. Pricing for all IT Services shall be in accordance with the Contractor's customary commercial practices; e.g., hourly rates, monthly rates, term rates, and/or fixed prices.



N.E.T. Federal

Terms And Conditions

For Information Call
703.556.7740

USA COMMITMENT TO PROMOTE SMALL BUSINESS PARTICIPATION PROCUREMENT PROGRAMS

PREAMBLE

N.E.T. Federal, Inc. provides commercial products and services to the Federal Government. We are committed to promoting participation of small, small disadvantaged and women-owned small businesses in our contracts. We pledge to provide opportunities to the small business community through reselling opportunities, mentor-protégé programs, joint ventures, teaming arrangements, and subcontracting.

COMMITMENT

To actively seek and partner with small businesses.

To identify, qualify, mentor and develop small, small disadvantaged and women-owned small businesses by purchasing from these businesses whenever practical.

To develop and promote company policy initiatives that demonstrate our support for awarding contracts and subcontracts to small business concerns.

To undertake significant efforts to determine the potential of small, small disadvantaged and women-owned small business to supply products and services to our company.

To insure procurement opportunities are designed to permit the maximum possible participation of small, small disadvantaged, and women-owned small businesses.

To attend business opportunity workshops, minority business enterprise seminars, trade fairs, procurement conferences, etc., to identify and increase small businesses with whom to partner.

To publicize in our marketing publications our interest in meeting small businesses that may be interested in subcontracting opportunities.

We signify our commitment to work in partnership with small, small disadvantaged and women-owned small businesses to promote and increase their participation in Federal Government contracts. To accelerate potential opportunities please contact Becky E. Mallett, N.E.T.'s Small Business Liaison at (703)760-8079 (voice); (703) 893-6716 (fax); or by email at becky_mallett@net.com.



N.E.T. Federal

Terms And Conditions

For Information Call
703.556.7740

The following is a **SUGGESTED** Blanket Purchase Agreement (BPA) format for use with N.E.T. Federal, Inc.'s proposed FSS IT Schedule Pricelist.

**BEST VALUE
BLANKET PURCHASE AGREEMENT
FEDERAL SUPPLY SCHEDULE
(Insert Customer Name)**

In the spirit of the Federal Acquisition Streamlining Act

(Agency) and N.E.T. Federal, Inc. enter into a cooperative agreement to further reduce the administrative costs of acquiring commercial items from the General Services Administration (GSA) Federal Supply Schedule Contract(s)

Federal Supply Schedule contract BPAs eliminate contracting and open market costs such as: search for sources; the development of technical documents, solicitations and the evaluation of offers. Teaming Arrangements are permitted with Federal Supply Schedule Contractors in accordance with Federal Acquisition Regulation (FAR) 9.6.

This BPA will further decrease costs, reduce paperwork, and save time by eliminating the need for repetitive, individual purchases from the schedule contract. The end result is to create a purchasing mechanism for the **Government that works better and costs less.**

Signatures

AGENCY

DATE

CONTRACTOR

DATE



N.E.T. Federal

Terms And Conditions

For Information Call
703.556.7740

BPA NUMBER _____

(CUSTOMER NAME) BLANKET PURCHASE AGREEMENT

Pursuant to GSA Federal Supply Schedule Contract Number(s) _____, Blanket Purchase Agreements, the Contractor agrees to the following terms of a Blanket Purchase Agreement (BPA) EXCLUSIVELY WITH (Ordering Agency):

(1) The following contract items can be ordered under this BPA. All orders placed against this BPA are subject to the terms and conditions of the contract, except as noted below:

MODEL NUMBER/PART NUMBER

*SPECIAL BPA DISCOUNT/PRICE

(2) Delivery:

DESTINATION

DELIVERY SCHEDULE/DATES

(3) The Government estimates, but does not guarantee, that the volume of purchases through this agreement will be _____.

(4) This BPA does not obligate any funds.

(5) This BPA expires on _____ or at the end of the contract period, whichever is earlier.

(6) The following office(s) is hereby authorized to place orders under this BPA:

OFFICE

POINT OF CONTACT

(7) Orders will be placed against this BPA via Electronic Data Interchange (EDI), FAX, or paper.

(8) Unless otherwise agreed to, all deliveries under this BPA must be accompanied by delivery tickets or sales slips that must contain the following information as a minimum:

(a) Name of Contractor;

(b) Contract Number;

(c) BPA Number;

(d) Model Number or National Stock Number (NSN);

(e) Purchase Order Number;

(f) Date of Purchase;

(g) Quantity, Unit Price, and Extension of Each Item (unit prices and extensions need not be shown when incompatible with the use of automated systems; provided, that the invoice is itemized to show the information); and



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For Information Call
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(h) Date of Shipment.

(9) The requirements of a proper invoice are specified in the Federal Supply Schedule contract. Invoices will be submitted to the address specified within the purchase order transmission issued against this BPA.

(10) The terms and conditions included in this BPA apply to all purchases made pursuant to it. In the event of an inconsistency between the provisions of this BPA and the Contractor's invoice, the provisions of this BPA will take precedence.



N.E.T. Federal

**BASIC GUIDELINES FOR USING
“CONTRACTOR TEAM ARRANGEMENTS”**

Federal Supply Schedule Contractors may use “Contractor Team Arrangements” (see FAR 9.6) to provide solutions when responding to a customer agency requirements.

These Team Arrangements can be included under a Blanket Purchase Agreement (BPA). BPAs are permitted under all Federal Supply Schedule contracts.

Orders under a Team Arrangement are subject to terms and conditions or the Federal Supply Schedule Contract.

Participation in a Team Arrangement is limited to Federal Supply Schedule Contractors.

Customers should refer to FAR 9.6 for specific details on Team Arrangements.

Here is a general outline on how it works:

- The customer identifies their requirements.
- Federal Supply Schedule Contractors may individually meet the customers needs, or -
- Federal Supply Schedule Contractors may individually submit a Schedules “Team Solution” to meet the customer’s requirement.
- Customers make a best value selection.